

Appendix XIV. PHDEP Automatic Draw-down Suspension

A. Process

- (1) PAHD prepares a memorandum or list for the Assistant Secretary with public housing programs subject to automatic sanctions for underreporting to MTCS – that is, program with reporting under 85 percent without forbearance from sanctions. This list should appear around April 15 and October 15, following the semi-annual assessments at June and December, respectively.
- (2) The Assistant Secretary distributes the memorandum to Field Offices (Public Housing Trust Officers, MTCS Coordinators) and TARCs – with copies to the Community Safety and Conservation Division, Field Operations, Office of Troubled Agency Recovery, Information Services Division, and Grants Management Center.
- (3) Field Offices/TARCs place a M09 edit in Line of Credit Control System (LOCCS) to impose a review on a grantee that seeks to draw down funds. The review will create an opportunity for the PHA and Field Office or TARC to work together to improve the PHA's reporting. Also, the M09 edit imposes a suspension that can be lifted if the PHA's reporting performance improves to or exceeds the minimum level.
- (4) The suspended PHAs must demonstrate reporting at or above 85 percent for public housing in order for the Field Office/TARC to program LOCCS to lift the suspension. Field Offices/TARCs look to the HA Delinquency report to determine whether to lift the suspension. Suspension may be lifted once reporting performance reaches or exceeds 85 percent on the HA Delinquency report.
- (5) For PHAs that do not reach or exceed 85 percent, the suspension remains in place until the next semi-annual assessment and forbearance process is completed. The suspensions remain in place until steps (1) and (2) above are repeated for the next semi-annual assessment.
- (6) Field Offices and TARCs report back to PAHD for each PHA identified in step (2): (a) the date in which the suspension was lifted, if at all, and (b) the months during which the PHDEP draw-downs were suspended. There is no standard format for reporting back to PAHD. An e-mail to patricia_s._arnaud@hud.gov will be sufficient.

The principal advantage of this procedure is that Field Offices/TARCs are familiar already with the forbearance process and HA Delinquency report. The Field Offices/TARCs will know in advance which public housing programs are covered in the memorandum or list under step (1).

B. Sample calendar (estimated dates)

<u>Date</u>	<u>Action</u>
April 30, 2000	GMC, Field Offices and TARC's notified of public housing programs subject to automatic sanctions (subject-to-sanctions list) See steps 1 and 2.
May 5, 2000	Field Offices or TARC's impose the suspension/ edit in LOCCS or other payment system. See step 3.
May 10, 2000	HA Delinquency report for April. Field Offices or TARC's lift suspensions for programs reaching 85%. Field Offices conduct reviews of PHAs requesting draw-downs. See step 4.
June 10, 2000	HA Delinquency report for May. Field Offices or TARC's lift suspensions for programs reaching 85%. Field Offices conduct reviews of PHAs requesting draw-downs. See step 4.
July 10, 2000	HA Delinquency report for June (semi-annual assessment); Field Offices or TARC's lift suspensions for programs reaching 85%. Field Offices conduct reviews of PHAs requesting draw-downs. See step 4.
August 10, 2000	HA Delinquency report for July. Field Offices or TARC's lift suspensions for programs reaching 85%. Field Offices or TARC's conduct reviews of PHAs requesting draw-downs. See step 4.
Sept. 10, 2000	HA Delinquency report for August. Field Offices or TARC's lift suspensions for programs reaching 85%.Field Offices conduct reviews of PHAs requesting draw-downs. See step 4 above.
Oct. 10, 2000	HA Delinquency report for September. Field Offices or TARC's lift suspensions for programs reaching 85%. Field Offices conduct reviews of PHAs requesting draw-downs. See step 4.
Oct. 30, 2000	GMC, Field Offices and TARC's notified of public housing programs subject to automatic sanctions (subject-to-sanctions list). See steps 1 and 2.
Nov. 5, 2000	Field Offices or TARC's impose the suspension in LOCCS or other payment system. Field Offices or TARC's lift suspension on programs not on the subject-to-sanctions list.